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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/597,131	06/20/2000	Jeffry Jovan Philyaw	PHLY-25,357	6197

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EXAMINER

FISCHER, ANDREW J

ART UNIT	PAPER NUMBER
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3627

DATE MAILED: 12/17/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.  
**09/597,131**

Applicant(s)  
**Jeffrey Jovan Philyaw**

Examiner  
**Andrew J. Fischer**

Art Unit  
**3627**



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on Sep 13, 2002
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-22 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☒ The proposed drawing correction filed on Feb 23, 2000 is: a) ☒ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some\* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

## Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s). 12 6) ☐ Other:

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## **DETAILED ACTION**

### ***Election/Restriction***

1. Applicant's election of Species A (claims 1-22) in Paper No. 11 is acknowledged.

Because applicant did not distinctly and specifically point out the supposed errors in the restriction requirement, the election has been treated as an election without traverse (MPEP § 818.03(a)).

2. The Examiner again notes that currently Invention Group I (claims 1-11) is not patentably distinct from Invention Group II (claims 12-22). A restriction between the inventions at this time would be improper. Applicant is again reminded that should future amendments make the claims patentably distinct or if Applicant argues the claims *are* patentably distinct, a restriction between the two inventions may follow.

The Examiner realizes that certain claim interpretation doctrines may apply to one group of claims and not the other. Nevertheless, this does not cause the current groups of claims to be patentably distinct. If however Applicant believes these doctrines cause the respective groups of claims to be patentably distinct, this decision remains with the Applicant.

### ***Acknowledgments***

3. The amendment filed September 13, 2002 (Paper No. 11) is acknowledged. Accordingly, claims 1-22 remain pending.

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*Claim Rejections - 35 USC § 102*

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States. . . .

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

5. Claims 12-22, as understood by the Examiner, are rejected under 35 U.S.C. 102(e) as being anticipated by Ogasawara (U.S. 6,123,259). Ogasawara discloses the following: a UPC code (column 11, last paragraph); an extraction circuit (within scanner 15); a temporary buffer (inherent in any CPU); an identification device (device that identifies the product scanner); a retail processing system (inherent); ownership of the article is transferred after receiving encoded information (and payment); the scanner has a unique id (column 10, paragraph starting on line 25); the personal scanner is wireless (wireless to the main store server 50 and its database); the user has an account set up for them prior to receiving the scanner (inherent); the scanner has at least some memory (which is a temporary buffer).

6. Claims 1-5 and 12-16, as understood by the Examiner, are alternatively rejected under 35 U.S.C. 102(e) as being clearly anticipated by Barnett (U.S. 6,343,276).

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7. Claims 1-11, as understood by the Examiner, are also rejected under 35 U.S.C. 102(e) as being anticipated by Ogasawara. It is the examiner's position that Ogasawara anticipates the claimed method because the method is inherently disclosed. The rationale for this inherency is that the prior art device, in its normal and usual operation, would necessarily perform the claimed method. See MPEP §2112.02.

8. Functional recitation(s) using the word "for" (e.g. "for extracting said encoded information relating to the article of commerce" as recited in claim 12) have been given little patentable weight because they fail to add any structural limitations and are thereby regarded as intended use language. A recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim. *In re Casey*, 152 USPQ 235 (CCPA 1967); *In re Otto*, 136 USPQ 458, 459 (CCPA 1963).

9. The Examiner notes that Applicant has declined the Examiner's express invitation<sup>1</sup> to be his own lexicographer by indicating and defining claim limitations to have meanings other than their ordinary and accustomed meanings. Furthermore, because of the ambiguity in Applicant's response regarding this issue (see e.g. "Remarks", page 6), a telephone call was placed to Applicant's representative, Mr. Gregory M. Howison requesting clarification. On or about

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<sup>1</sup> See the Examiner's previous Office Action, Paper No. 9, Paragraph No. 16 mailed April 23, 2002.

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October 1, 2002, Mr. Howison in a telephonic conversation with the Examiner informed the Examiner that Applicant intended NOT to be his own lexicographer. Confirmation of Applicant's position is respectfully requested in Applicant's next response. Therefore, for due process purposes, the Examiner gives notice that for the remainder of the ex parte examination process, the presumption in favor of the ordinary and accustomed meaning is maintained and is now made final. The claims are therefore interpreted with their "broadest reasonable interpretation . . . ." *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997).<sup>2</sup> The Examiner now relies heavily on this interpretation.<sup>3</sup> See e.g. *Transclean Corp. v. Bridgewood Servs., Inc.*, 290 F.3d 1364, 1381, 62 USPQ2d 1865, 1877 (Fed. Cir. 2002) ("Because the patentee has not chosen to be his own lexicographer in this instance, [the claimed element] should carry its ordinary meaning . . . .") (Clevenger, J. dissenting in part).

### ***Claim Rejections - 35 USC § 103***

10. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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<sup>2</sup> See also MPEP §2111; *In re Graves*, 69 F.3d 1147, 1152, 36 USPQ2d 1697, 1701 (Fed. Cir. 1995); *In re Etter*, 756 F.2d 852, 858, 225 USPQ 1, 5 (Fed. Cir. 1985) (en banc).

<sup>3</sup> See 37 C.F.R. §1.104(c)(3) which states in part: "the examiner may rely upon admissions by applicant . . . as to *any matter* affecting patentability . . . . [Emphasis added.]"

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

11. Claims 1-11 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Ogasawara.<sup>4</sup> It is the Examiner's principle position that the methods are anticipated because of the reasons stated above.

However, even if not anticipated, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Ogasawara to include the claimed method. Because the prior art discloses all the structure necessary to perform the claimed functions, one of ordinary skill in the art would find the claimed method to be obvious in view of the disclosed structure as disclosed in claims 12-22.

### *Response to Arguments*

12. Applicant's arguments filed with his amendment in Paper No. 11 have been fully considered but they are not persuasive.

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<sup>4</sup> See MPEP §2112 expressly authorizing alternative 102/103 rejections when the question of inherency is present in the §102 rejection.

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13. Applicant principally argues that Ogasawara does not disclose the various actions “in response to the retail processing system receiving the encoded information from the MRC . . . .”<sup>5</sup> The Examiner respectfully disagrees.

14. First Ogasawara and Barnett each disclose that ownership of an article of commerce is transferred in response to multiple events. Those events include at least (a) the retail processing system receiving said encoded information from the MRC and transferring the unique identification (b) payment of money and perhaps (c) physical transfer of possession of the article. In other words, ownership is not transferred until a series of necessary but insufficient conditions occurs. One of such necessary but insufficient conditions is the retail processing system receiving the encoded information from the MRC and transferring the unique identification. Under the “broadest reasonable interpretation standard noted above and to the extent that ownership transfer process *does not even begin* until the retail processing system receives the encoded information from the MRC and transfers the unique identification, it is “in response to.”

While the Examiner admits that neither Ogasawara nor Barnett directly discloses *the final step* in the transfer of ownership is the retail processing system receiving the encoded information from the MRC and transferring the unique identification, this feature is currently not claimed. As Judge Clevenger has so eloquently summarized these types of arguments, “The invention disclosed in [Applicant’s] written description may be outstanding in its field, but the name of the

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<sup>5</sup> Applicant’s Response received September 13, 2002, Paper No. 11, Page 4, Third paragraph.



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game is the claim.” *In re Hiniker Co.*, 150 F.3d 1362, 1369, 47 USPQ2d 1523, 1529 (Fed. Cir. 1998). If Applicant claims that the *final step* in the transfer of ownership is “in response to” those features as found in the last section of claim 12, the claim would most likely overcome the current prior art rejections.

15. Moreover, it is the Applicant—and not the Examiner—that drafted claim 12 as a system claim. “A system is an apparatus.” *Ex parte Fressola* 27 USPQ2d 1608, 1611 (B.P.A.I. 1993)(citations omitted). Additionally, “[c]laims in apparatus form conventionally fall into the 35 U.S.C. §101 statutory category of a ‘machine.’” *Ex parte Donner*, 53 USPQ2d 1699, 1701 (B.P.A.I. 1999)(unpublished), (Paper No. 34, page 5, issued as U.S. Patent 5,999,907).

Therefore, it is the Examiner’s position that Applicant(s)’ system claims are clearly “product” “apparatus,” or more specifically, “machine” claims. With this in mind, Applicant is reminded that “apparatus claims cover what a device is, not what a device does.” *Hewlett-Packard Co. v. Bausch & Lomb Inc.*, 909 F.2d 1464, 1469, 15 USPQ2d 1525, 1528 (Fed. Cir. 1990). In other words, claims directed to apparatus must be distinguished from the prior art in terms of structure rather than function or actions. See *In re Danly*, 263 F.2d 844, 847, 120 USPQ 528, 531 (CCPA 1959).

16. Regarding the inventorship, because Applicant admits that even though this application is designated as a continuation-in-part (CIP) and that elected Species A is entitled only to a filing date of this presently filed application (i.e. June 20, 2000), the §102(f) rejection has been withdrawn. If this application proceeds to allowance with claims drawn only to elected Species

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A, the designation of this application as a CIP must (at the time of allowance) be withdrawn.

Because of the possibility that this application may proceed to allowance with other claims (i.e. generic claims or other claims), the CIP designation need not be removed at this time.

17. It is the Examiner's position that all claimed features in claims 1-22 are either disclosed or inherent in the references discussed above. Furthermore, the inherent features are established by a preponderance of the evidence. *In re Epstein*, 32 F.3d 1559, 1564, 31 USPQ2d 1817, 1820 (Fed. Cir. 1994) ("Preponderance of the evidence is the standard that must be met by the PTO in making rejections." (citations and quotations omitted)).

### ***Conclusion***

18. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.

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19. Because this application is now final, Applicant is reminded of the USPTO's after final practice as discussed in MPEP §714.12 and §714.13 and that entry of amendments after final is *not* a matter of right. "The refusal of an examiner to enter an amendment after final rejection of claims is a matter of discretion." *In re Berger*, 279 F.3d 975, 984, 61 USPQ2d 1523, 1529 (Fed. Cir. 2002) (citations omitted). Furthermore, suggestions or examples of claim language provided by the Examiner are just that—suggestions or examples—and do not constitute a formal requirement mandated by the Examiner. Unless stated otherwise by an express indication that the claim is "allowed," exemplary claim language provided by the Examiner to overcome a particular rejection or to change claim interpretation has *not been addressed* with respect to other aspects of patentability (e.g. §101 patentable subject matter, §112 1<sup>st</sup> paragraph written description and enablement, §112 2<sup>nd</sup> paragraph antecedent basis and indefiniteness, and §102 and §103 prior art). Therefore, any claim amendment submitted under 37 C.F.R. 1.116 that incorporates an Examiner suggestion or example or simply changes claim interpretation will nevertheless require further consideration and/or search and a patentability determination as described above.

20. All MPEP sections cited within are from the Manual of Patent Examining Procedure (MPEP) Eighth Edition, August 2001 unless expressly noted otherwise.

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21. In accordance with the USPTO's goals of customer service, compact prosecution, and reduction of cycle time, and because "the continual, chief complaint of inventors and their lawyers: that patent examiners are abysmal communicators, both orally and in writing,"<sup>6</sup> the Examiner has made every effort to clarify his position regarding claim interpretation and any rejections or objections in this application. Furthermore, the Examiner has again provided Applicant with notice—for due process purposes—of his position regarding his factual determinations and legal conclusions. The Examiner notes and thanks Applicant for his "Remarks" (Paper No 11, pages 3-7) traversing the Examiner's positions on various points. If Applicant disagrees with any additional factual determination or legal conclusion made by the Examiner in this Office Action whether expressly stated or implied<sup>7</sup>, the Examiner respectfully requests Applicant *in his next properly filed response* to expressly traverse the Examiner's position and provide appropriate arguments in support thereof. By addressing these issues now, matters where the Examiner and Applicant agree can be eliminated allowing the Examiner and Applicant to focus on areas of disagreement (if any) with the goal towards allowance in the shortest possible time. If Applicant has *any* questions regarding the Examiner's positions or have other questions regarding this communication or even previous communications, Applicant is

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<sup>6</sup> Sabra Chartrand, *A Bid to Overcome Patent Backlogs*, 152 N.Y. Times C2 (Sept. 23, 2002).

<sup>7</sup> E.g., if the Examiner rejected a claim under §103, although not directly stated, it is the Examiner's implied position that the references are analogous art.

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strongly encouraged to contact Examiner Andrew J. Fischer whose telephone number is (703)  
305-0292.

  
ANDREW J. FISCHER  
PATENT EXAMINER

  
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AJF  
December 15, 2002